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<b>MEETING DETAILS</b>	<b>Ordinary Meeting</b> Wednesday 14 December 2022
<b>AUTHOR</b>	Shane Brandenburg
<b>AUTHOR POSITION</b>	Manager Economy and Prosperity

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**10.25 ISAAC RESOURCES EXCELLENCE HUB PRECINCT - EXPRESSION OF INTEREST (EOI-ALL5-1122-305) AND DISPOSAL OF LAND AT 20 RAILWAY STATION ROAD, MORANBAH (LOT 26 ON SP255600)**

## EXECUTIVE SUMMARY

This report seeks to inform Council of the outcomes of the Expression of Interest for the Isaac Resources Excellence Hub (IREH) Precinct and seeks endorsement to authorise the Chief Executive Officer to negotiate, vary and execute the tenure legal instruments with the shortlisted respondents.

## OFFICER'S RECOMMENDATION

### *That Council:*

- 1. Endorse the following respondents as the successful organisations from the Expression of Interest for the Isaac Resources Excellence Hub Precinct (EOI-ALL5-1122-305);**
  - a. Qld Mines Rescue Services Ltd for the development of a Mines Rescue Training and Development Centre**
  - b. Resources Centre of Excellence for the development of an Isaac Resources Excellence Hub**
- 2. Authorise the Chief Executive Officer to negotiate, vary and execute lease agreements with Qld Mines Rescue Ltd and the Resources Centre of Excellence over land at 20 Railway Station Road, Moranbah (Lot 26 on SP255600), other than by tender, noting that both organisations are community organisations and the application of an exception under Section 236(b)(ii) of the Local Government Regulation 2012.**

## BACKGROUND

At the Ordinary Meeting of Council on 28 October 2021, Council resolved to invite non-binding Expressions of Interest (EOI) from suitable proponents for the following components of the Isaac Resources Excellence Hub precinct (resolution number 7573):

- A Mines Rescue Training and Development centre
- An Isaac Resources Excellence Hub, and
- A Country or Regional University

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These components will form part of the Isaac Resources Excellence Hub Campus which will be located at 20 Railway Station Road, Moranbah (Lot 26 on SP255600).

## Results of Expression of Interest

There were six respondents to the EOI of which only two were compliant respondents as summarised below:

Summary of Respondents		
Vendor	Preferred Respondent	Components
Queensland Mines Rescue Service Ltd	Yes	Mines Rescue Training and Development Centre
Resources Centre of Excellence Ltd	Yes	Isaac Resources Excellence Hub
Construction Sciences Pty Ltd	No	Non-compliant. Respondent is not intending to be a lessee of the Excellence Hub concept. They are expressing an interest in being a supplier, which is out of scope for the evaluation process.
Quarrico Products Pty Ltd	No	Non-compliant. Respondent is not intending to be a lessee of the Excellence Hub concept. They are expressing an interest in being a supplier, which is out of scope for the evaluation process.
Gleeson Consulting Pty Ltd	No	Non-compliant. Respondent is not intending to be a lessee of the Excellence Hub concept. They are expressing an interest in being a supplier, which is out of scope for the evaluation process.
Designstek Pty Ltd	No	Non-compliant. Respondent is not intending to be a lessee of the Excellence Hub concept. They are expressing an interest in being a supplier, which is out of scope for the evaluation process.

The Evaluation Panel met on 8 December 2022 and determined that the best option for Council on this occasion, is to progress tender negotiations with:

- Qld Mines Rescue Services Ltd for development of a Mines Rescue Training and Development Centre
- Resources Centre of Excellence for development of the Isaac Resources Excellence Hub

The preferred respondents demonstrated sufficient evidence and relevant experience to be able to develop the individual concept elements of the broader hub.

Whilst respondents for the Country or Rural University were not received, it is intended this element of the project will continue to be included in the IREH projects development and engagement with relevant and key stakeholders will occur to pursue this element.

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The Evaluation Panel's assessment of the Expression of Interest is provided in Attachment 1: EOI – IREH Recommendation Report.

## **Tender Stage**

Following an Expression of Interest process, it is common practice to progress to a Tender with the preferred respondents.

In this instance it recommended that Council utilise the exceptions provided by Section 236(b)(ii) of the Local Government Regulation 2012 which allow for valuable non-current assets (in this case land) to be disposed of to a community organisation without the need for tender.

Both proponents, Queensland Mines Rescue Service Ltd and Resources Centre of Excellence Ltd are considered to be community organisations in accordance with the *Local Government Regulation 2012*.

The application of this exemption will remove the need for a Tender process which will save time and resources. Following this resolution, the Chief Executive Officer will be authorised to negotiate, vary and execute lease agreements with Qld Mines Rescue Ltd and the Resources Centre of Excellence directly for the purpose of establishing tenure for the IREH.

There is no risk in applying this exemption noting that there were not multiple respondents competing for the same components of the IREH.

## **Future Steps**

Following this resolution and notice being provided the successful respondents, Council will work with the respondents to:

- Participate in an enquiry-by-design workshop to optimise the three broad activities on the site to achieve the best site utilisation and delivery status,
- Progress tenure negotiations that supports the strategic vision of the precinct including provision of any documents, as required to Council's satisfaction.

It is noted that the enquiry by design process workshop be conducted in January 2023 and this will serve to develop a conceptual site master plan over the entire site, to enable the development of each of the IREH elements within.

## **Lease Arrangements**

Council will subsequently negotiate directly with successful respondents for separate long-term leases over each of the respective sites. The leases will have a range of covenants to ensure the development of the sites to appropriate standards and within acceptable times.

Fees and Charges will be in accordance with Council's current policies.

In addition to the lease fee, the successful applicant will be responsible for payment of all outgoings including, but not limited to; any general rates, fire levy charges, water, sewerage, trade waste, back flow, rubbish

collection, electricity, telephone and internet, including other such services and operational expenses attached to those services.

## **IMPLICATIONS**

### Budget

The awarding of the Expression of Interest and the authorisation of the progression of lease terms with the successful proponents will not have any significant immediate budget implications. It is noted that any costs from this stage of the project will be expended in accordance with the approved project funding provided by way of Council resolution on the 28 October 2021 (resolution number 7573).

Capital funding for the delivery of the IREH will be sought from external funding programs and private investment funded by the successful proponents. The operation of the IREH facility elements is intended to be undertaken in partnership with the successful proponents with all operational costs anticipated to be cost-neutral to Council. This form part of Council's negotiations of lease terms with the successful proponents.

### Reputational

The Isaac Resources Excellence Hub vision is towards creating sustainable resource communities' futures through social, safety and environmental excellence and delivery of the project will be a positive investment in the region's liveable communities' reputation. The ongoing progression of this project will support the realisation of this vision and the development of valuable partnerships with Qld Mines Rescue Ltd and the Resources Centre of Excellence, two valuable community organisations.

### Resourcing

A Council internal working group with relevant executive and officer level representation has been facilitating the IREH projects development and this will continue into the future.

## **CONSULTATION**

Chief Executive Officer

Director Planning, Environment and Community Services

Manager Liveability and Sustainability

Economy and Prosperity department

Manager Procurement and Contracts

## **BASIS FOR RECOMMENDATION**

Council endorsed to call for tenderers through an expression of interest for its IREH concept at 20 Railway Station Rd and the evaluation panel assessment to shortlist the successful respondents has been conducted through a transparent and equitable legislative process.

The application of the exception under Section 236(b)(ii) of the Local Government Regulation 2012 removes the need for Council to progress to a tender stage. This exception is applied based on the two shortlisted proponents being community organisations under the Regulation. The application of this exception is reasonable given that only one proponent has been short listed for each component of the IREH.

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## ACTION ACCOUNTABILITY

The Chief Executive Officer (and or delegate) will advise all proponents of the outcomes of the EOI and will progress tenure negotiations with the successful proponents.

## KEY MESSAGES

Isaac Regional Council's overarching goal is to pursue long-term sustainable futures for Isaac's communities and its vision is 'Helping to energise the world – a region that feeds powers and builds communities, today and for the future'.

The Isaac Resources Excellence Hub project seeks to advance this goal and vision by creating an industry, education, community, visitor and Council ecosystem focussed on excellence in resources social, safety and environmental efforts, but more importantly, ensuring the sustainable futures of resources communities through industry transformation.

<b>Report prepared by:</b>	<b>Report authorised by:</b>
SHANE BRANDENBURG <b>Manager Economy and Prosperity</b>	DAN WAGNER <b>Director Planning Environment and Community Services</b>
Date: 12 December 2022	Date: 12 December 2022

## ATTACHMENTS

- Attachment 1 EOI – IREH Recommendation Report

## REFERENCE DOCUMENT

- EOI-ALL5-1122-305 Isaac Resources Excellence Hub